

HAWAII ADMINISTRATIVE RULES

TITLE 16

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

CHAPTER 610

DRINKING WATER SERVICE

Subchapter 1 General Provisions

- §16-610-1 Application and purpose of chapter
- §16-610-2 Application of additional legal authorities
- §16-610-3 Definitions
- §16-610-4 Enforcement of chapter
- §16-610-5 Service of documents and information on consumer advocate
- §16-610-6 Severability clause
- §§16-610-7 to 11 (Reserved)

Subchapter 2 Records and Reports

- §16-610-12 Location and availability of records
- §16-610-13 Accounting standards; preservation and retention of records
- §16-610-14 Initial filing of chart of accounts
- §16-610-15 Documents, data, and information to be filed with the commission
- §16-610-16 Annual reports
- §16-610-17 Additional reports may be required

§§16-610-18 to 21 (Reserved)

Subchapter 3 Certification of Utility to
Provide Drinking Water Service

- §16-610-22 Certificate of public convenience and
necessity
- §16-610-23 Issuance or denial of certification
- §16-610-24 Capital improvements
- §16-610-25 Removal, transfer, or sale of property
- §16-610-26 Change or abandonment of utility service
or ownership
- §16-610-27 Amendment, suspension, or revocation
- §16-610-28 Changes in the treatment of or
modifications to its water source
- §§16-610-29 to 31 (Reserved)

Subchapter 4 Tariffs

- §16-610-32 Tariff filing requirement
- §16-610-33 Temporary service
- §§16-610-34 to 38 (Reserved)

Subchapter 5 General Service Requirements

- §16-610-39 Application for water service
- §16-610-40 Utility's access to property
- §16-610-41 Rights-of-way and easements
- §16-610-42 Service connections
- §16-610-43 Meter measurement
- §16-610-44 Meter display
- §16-610-45 Meter records
- §16-610-46 Meter reading intervals and annual report

- §16-610-47 Location and condition of meters
- §16-610-48 Master metering
- §16-610-49 System extensions
- §16-610-50 Fire protection
- §16-610-51 Resale of water
- §16-610-52 Water for nonpotable uses
- §§16-610-53 to 57 (Reserved)

Subchapter 6 Customer Relations

- §16-610-58 Information about the utility
- §16-610-59 Rate and consumption information
- §16-610-60 Establishment and reestablishment of
credit; customer deposit
- §16-610-61 Customer bills
- §16-610-62 Adjustment of bill due to meter inaccuracy
- §16-610-63 Adjustment of bill due to errors in meter
readings and other similar causes
- §16-610-64 Reasons for denial or disconnection of
service
- §16-610-65 Insufficient reasons for denial or
disconnection of service
- §16-610-66 Disconnection of service by customer
- §16-610-67 Disconnection of service by the utility
- §16-610-68 Charges for water service in the case of
property transfer
- §16-610-69 Customer complaints
- §16-610-70 Payments
- §16-610-71 Fees
- §16-610-72 Right of access; identification of
employees
- §§16-610-73 to 77 (Reserved)

Subchapter 7 Engineering

- §16-610-78 Recognized and generally accepted good engineering practices
- §16-610-79 Adequacy of supply
- §16-610-80 Materials, equipment, and inspection of plants and facilities
- §16-610-81 Service connection standards
- §16-610-82 Pressure and water availability requirements
- §16-610-83 Dead ends
- §16-610-84 Cross-connection control and backflow prevention
- §§16-610-85 to 88 (Reserved)

Subchapter 8 Testing

- §16-610-89 Customer meters
- §16-610-90 Meter testing at customer's request
- §16-610-91 Meter testing facilities and equipment
- §16-610-92 Meter test records
- §16-610-93 Sealing of meter
- §16-610-94 Repaired or tested meters
- §16-610-95 Water supply measurements
- §§16-610-96 to 100 (Reserved)

Subchapter 9 Quality Of Service

- §16-610-101 Water quality
- §16-610-102 Interruption of service
- §16-610-103 System service reliability
- §16-610-104 Interruption of service - compensation
- §16-610-105 Special conservation measures
- §§16-610-106 to 110 (Reserved)

Subchapter 10 Safety and Emergency Preparedness

- §16-610-111 Safety
- §16-610-112 Protective measures
- §16-610-113 Emergency preparedness
- §§16-610-114 to 118 (Reserved)

Subchapter 11 Water-Energy Nexus

- §16-610-119 Purpose of this subchapter
- §16-610-120 Energy audits
- §16-610-121 Water audits
- §§16-610-122 Action plan and system evaluation

SUBCHAPTER 1

GENERAL PROVISIONS

§16-610-1 Application and purpose of chapter.

(a) This chapter applies to any utility providing public drinking water operating within the State and subject to the commission's jurisdiction. It does not apply to any drinking water utility owned and operated by the State, county, or other governmental entity.

(b) The purpose of this chapter is to establish uniform and reasonable regulatory and service standards to ensure that safe, adequate, reliable, and efficient drinking water service is provided to customers at just and reasonable rates.

(c) A water utility shall not deviate from this chapter without specific authorization from the

commission as provided in this chapter. If unreasonable hardship to a drinking water utility or to a customer results from the application of any provision of this chapter, the utility may apply to the commission for temporary or permanent exemption or waiver from the provision.

(d) This chapter does not relieve a drinking water utility from any of its duties under the laws of the State or from any rules, orders, or directives of the commission. If, prior to the effective date of these rules, a utility had been required to submit a report similar to a report required by these rules, such utility may apply for review by the commission for a review and possible revision or consolidation of such requirements.

(e) This chapter takes precedence over all inconsistent tariff provisions or other rules of a drinking water utility. The utility shall revise any tariff or rule that is inconsistent with this chapter and refile the tariff or rule with the commission within thirty days of the effective date of this chapter.

(f) A drinking water utility may establish uniform, nondiscriminatory rules more favorable or advantageous to its customers than those set forth in this chapter.

(g) Where a drinking water utility supplied service to a customer before the effective date of this chapter under conditions more favorable or advantageous to the customer than the minimum levels of service provided in this chapter, whether as to quality or character of service, the utility may not reduce or eliminate the level of service provided without the commission's prior written approval.

[Eff] (Auth: HRS §269-6) (Imp: HRS §§269-6, 269-31)

§16-610-2 Application of additional legal authorities. This chapter:

- (1) Shall be read in context with any applicable:
 - (A) Federal law, order, and regulation; and
 - (B) State law and commission order and rule, including but not limited to chapter 269, HRS, and chapter 16-601, HAR; and
- (2) Supersedes any conflicting commission order or rule that may be in effect on the effective date of this chapter.
[Eff _____] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-3 Definitions. As used in this chapter, unless the context clearly requires otherwise:

"ASHRAE" means American Society of Heating, Refrigerating, and Air-Conditioning Engineers.

"ASHRAE level-1 energy audit" is known as a simple or screening audit and is the basic starting place for creating energy optimization. It entails brief interviews with building operating staff, overview of the facility's utility bills and additional data, and an abbreviated walk-through of the building. The ASHRAE level-1 energy audit is focused on the identification of the potential for energy efficiency improvements, understanding the overall building configuration, and defining the type and nature of energy-using systems.

"AWWA" means the American Water Works Association.

"Bill" means any invoice for water service including final invoices and invoices for maintenance or repair service.

"Certificate of public convenience and necessity" or "CPCN" means the certificate described in §269-7.5, HRS.

"Chair" means the chair of the public utilities commission or designee thereof, including the executive officer of the public utilities commission.

"Commission" means the public utilities commission of the State.

"Consumer advocate" means the executive director of the division of consumer advocacy of the department of commerce and consumer affairs of the State.

"Contributions in aid of construction" (CIAC) means plant investment or costs that have not been financed by the drinking water utility.

"Curb stop" means a valve controlling water flow located on the service line for water utility service.

"Customer" means any person (regardless of whether the person is the owner or tenant of the premises to which water service is provided or is the actual user of the service), partnership, association, corporation, governmental agency, or other entity, who signs an application, contract, or agreement for drinking water service or who accepts, is billed for, and pays the bills for drinking water service.

"Customer water meter" or "customer meter" means a device or instrument which is used by a utility to measure a quantity of water for the purpose of billing a customer.

"Department of health" means the department of health of the State of Hawaii.

"Disconnection of service" means the intentional cessation of water service to a customer by the utility.

"Distribution system" means all physical parts of a water system, including, but not limited to, pipes, valves, pumping stations, storage tanks or reservoirs, and service lines that are located between the water treatment facilities, or the source if there is no treatment, and the customer's service connection.

"Drinking water" or "potable water" means water suitable for drinking, in conformance with water quality and purity requirements of the Department of Health.

"Error in meter registration" means the percentage difference between the volume of water registered by the customer meter and the actual volume of water. A positive percentage indicates a fast customer meter and a negative percentage indicates a slow customer meter. The formula for determining the error in registration is:

$$(100 \times (\text{customer meter reading} - \text{actual volume})) / (\text{actual volume})$$

"HRS" means the Hawaii Revised Statutes.

"Interruption of service" means a break in drinking water service where water flow to customers is interrupted for any reason for any length of time.

"Main" means a pipe, owned, operated, or maintained by a utility, for the purpose of transmission or distribution of water, but does not include service lines.

"Master metering" means measuring a quantity of consumption of water furnished to a multi-family accommodation, hotel, or multi-unit commercial or industrial premises through a single meter, where the individual units are not metered by the utility.

"Meter" means any device or instrument that measures, registers, or records the quantity of water used.

"NARUC" means the National Association of Regulatory Utility Commissioners.

"Nonpotable uses" means irrigation or other uses that do not require water to meet the quality and purity requirements of drinking water.

"Person" means the same as in section 1-19, HRS.

"Plant account," "plant in service," and other regulatory accounting terms shall have the same meanings as provided in the National Association of Regulatory Utility Commissioners' Uniform System of Accounts ("NARUC USOA"), as amended.

"Point of service" means the point at which the water utility connects to the customer's pipes, at the customer's property line or elsewhere on the customer's property if provided for in a user's agreement. The utility shall own and maintain the

service connection, located between the point of service and the main.

"Premises" means a piece or tract of land or real estate, including buildings and other appurtenances thereon.

"Pressure zone" means sections of a water system that are segregated by a controlled change in the hydraulic grade line.

"Service connection" means the pipe between a utility's main and the point of service.

"Service line" or "customer's service line" means the pipe from the point of service to the place of consumption.

"Source flow meter" means a device or instrument which is used by a utility to measure the quantity of water flow from each water source.

"State" means the State of Hawaii.

"Tariff" means a schedule of rates or charges and the rules governing the rates or charges and the services provided by a water utility, and authorized by the commission. It includes the rates or charges and the conditions contained in special contracts and supplemental tariffs.

"Utility" means a public utility, as defined by HRS section 269-1, under the jurisdiction of the commission that is operating within the state to provide drinking water service.

"Water facilities" include all real estate, fixtures, and property owned, controlled, operated, or managed by a drinking water utility in connection with or to facilitate the production, treatment, transmission, delivery, or furnishing of drinking water and include wells, pumps, and pipes.

"Water service," "drinking water service," or "service" means all operations involved in the conveyance, transmission, delivery, or furnishing of drinking water by a public utility under the jurisdiction of the commission.

"Water source" includes a well, stream diversion, river, spring, lake, desalination plant intake, other water supplier, or other source designated by the utility and approved by the commission.

"Water system" means the interconnected reservoirs, pipes, sources of supply, treatment facilities, real estate, and facilities used to provide drinking water service to the utility's customers.

"Water treatment" means the processes that treat or condition the water supply of a public water system for the purpose of meeting drinking water standards.

"Water utility," "drinking water utility," or "utility" means a public utility as defined in §269-1, HRS, that produces, conveys, transmits, delivers, or furnishes drinking water.

"Year" means calendar year, when used to establish time interval testing of meters or other equipment. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §§269-1, 269-6)

§16-610-4 Enforcement of chapter. Chapter 269, HRS and any other applicable State law and commission rule and order, including the provisions of HAR 16-608, "Investigation and Enforcement of Laws Governing Public Utilities, Motor Carriers, and Water Carriers," apply to the enforcement of this chapter. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §§269-6, 269-7, 269-8, 269-10, 269-12, 269-15)

§16-610-5 Service of documents and information on consumer advocate. A water utility shall serve on the consumer advocate a copy of all reports and documents required by these rules to be filed with the commission. It shall also make available to the consumer advocate all information required by these rules to be made available to the commission. Any report, document, or information deemed confidential may be furnished or made available under a protective order pursuant to section 16-601-50.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-6 Severability clause. If any provision of this chapter or the application of the provision to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this chapter that can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are severable. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§§16-610-7 to 11 (Reserved)

SUBCHAPTER 2

RECORDS AND REPORTS

§16-610-12 Location and availability of records.

(a) Unless otherwise authorized by the commission, a water utility shall keep within Hawaii all books of accounts and supporting data. No books of accounts or supporting data may be maintained solely outside the state.

(b) The utility shall make available to the commission, at any time upon request, all records required to be kept by this chapter.

(c) If any book or account is maintained outside the state, the utility shall reimburse the commission for all actual costs and expenses incurred by the commission in conducting an out-of-state audit.

(d) A copy, in lieu of the original set of records and documents, is sufficient to constitute compliance with subsections (a) and (b).

[Eff _____] (Auth: HRS §§269-6, 269-8.2)
(Imp: HRS §§269-6, 269-8, 269-8.2, 269-8.5)

§16-610-13 Accounting standards; preservation and retention of records.

(a) Unless otherwise ordered by the commission, a water utility shall follow the definitions and instructions, maintain all books of accounts, and prepare all reports in accordance with the most recent edition of the National Association of Regulatory Utility Commissioners' Uniform System of Accounts ("NARUC USOA") for Water Utilities, as amended.

(b) The utility shall keep and preserve all general accounting records in accordance with the most recent edition of the National Association of Regulatory Utility Commissioners' "Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities" ("NARUC Regulations"), as amended.

(c) Without prior commission approval, the utility shall not destroy any book, memorandum, or any other document that supports entries to its accounts that are not otherwise specifically included among the records to be kept in the NARUC Regulations.

(d) Unless otherwise specified in this chapter or by the commission, the utility shall preserve and maintain all of the records required by this chapter for the period of five years or until the decision and order is issued in a rate case relying upon those records, whichever is longer. [Eff _____]
(Auth: HRS §§269-6, 269-8.2) (Imp: HRS §§269-6, 269-8, 269-8.2, 269-8.5)

§16-610-14 Initial filing of chart of accounts.

Within ninety days from the effective date of this chapter, a water utility shall file with the commission an updated chart of accounts used internally by the utility. Thereafter, whenever additions or revisions are made, the water utility shall promptly file with the commission the corresponding amendment or amendments to its chart of accounts; provided that the commission, at any time, may direct that, in lieu of filing amendments, a newly updated chart of accounts be filed with the commission to replace and supersede the existing chart of accounts on file with the commission.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §§269-6, 269-8, 269-8.2, 269-8.5)

§16-610-15 Documents, data, and information to be filed with the commission.

(a) A water utility shall maintain, file with the commission, and update upon any change, all of the following:

- (1) The utility's current tariff(s).
- (2) A copy of all notices pertaining to methods or requirements for bill payment, and a sample of each type of customer bill form, which shall include the information normally shown on a customer's bill for service.
- (3) A copy of each special contract for service, if any, not covered by the utility's filed tariff.
- (4) The utility's current rules, specifications, and drawings, if any, covering meter and service installation, published or furnished by the utility for use by persons such as engineers, architects, contractors, or others.
- (5) A non-confidential map or maps showing the utility's service area. The utility shall revise the maps annually. If no revision is

- necessary, the utility shall notify the commission that the map on file is current.
- (6) A confidential map or maps showing the location of the utility's facilities, including water sources, tanks, other storage facilities, pumping stations, treatment facilities, transmission lines, hydrants and valves, major distribution systems, and location, size, and name of each service area.
 - (7) The name, title, address, email, and telephone number of the utility contact for each of the following topics:
 - (A) The main point of contact for the commission.
 - (B) General management duties.
 - (C) Customer relations (complaints).
 - (D) Engineering operations.
 - (E) Testing and repairs.
 - (F) Emergencies during non-office hours.

In accordance with section 16-610-112, reports of all accidents caused by or occurring in connection with its operation or service. A report must be filed within seven days of each accident. In addition, the water utility shall notify the commission by telephone, text, or email within two hours of any accident that results in death or serious bodily injury or in property damage, followed by the written report within seven days of the accident.

- (8) The written notice of removal, transfer, or sale of property referenced in section 16-610-25, if applicable.

(b) Unless otherwise specified in this section, a water utility shall also produce the document, data, or information enumerated in subsection (a) when required by the commission and in the form prescribed by the commission. [Eff _____] (Auth: HRS §§269-6, 269-8, 269-8.2, 269-9) (Imp: HRS §§269-6, 269-8, 269-8.2, 269-9)

§16-610-16 Annual reports. (a) A water utility shall file an annual financial and statistical information report ("Annual Financial Report") for each calendar year, in the format prescribed and adopted by the commission, by March 31 following the close of such calendar year.

(b) The owner, officer, general partner, or authorized agent of the utility shall verify each Annual Financial Report and certify that it was prepared in accordance with the most recent edition of the NARUC USOA for Water Utilities, as amended.

(c) Unless directed otherwise by the commission, the other reports required to be filed with the commission on an annual basis may be filed concurrently with the Annual Financial Report. Such reports include, but may not be limited to, the following:

- (1) Informational reports referenced in section 16-610-17.
- (2) The capital improvement reports identified in section 16-610-24.
- (3) Annual reports of removal, sale or transfer of property identified in section 16-610-25.
- (4) The summary of water quantities identified in section 16-610-46.
- (5) The number of disconnections of water service during the past calendar year, as identified in section 16-610-67.
- (6) The number of complaints received, by categories of complaints, and the resolution of such complaints, as identified in section 16-610-69.
- (7) The volume of water from all sources, as identified in section 16-610-95.
- (8) The service interruption reports identified in section 16-610-103.
- (9) A report on emergency preparedness, as required by section 16-610-113.
- (10) The water audit report identified in section 16-610-121.

- (11) The Action Plan and system evaluation reports identified in section 16-610-122.
[Eff _____] (Auth: HRS §269-6)
(Imp: HRS §§269-6, 269-8, 269-8.2, 269-8.5)

§16-610-17 Additional reports may be required.

The commission may require additional or special reports from the utilities and may prescribe the manner, form, and frequency of reporting.
[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§§16-610-18 to 21 (Reserved)

SUBCHAPTER 3

CERTIFICATION OF UTILITY
TO PROVIDE DRINKING WATER SERVICE

§16-610-22 Certificate of public convenience and necessity. (a) All certificates of public convenience and necessity to provide water service, issued pursuant to §269-7.5, HRS, and in effect on the effective date of this chapter, remain in full force and effect.

(b) Any person seeking to offer, initiate, or provide water service within the State must apply to the commission for a Certificate of Public Convenience and Necessity ("CPCN"). The application must comply with the applicable requirements of:

- (1) Section 269-7.5, HRS;
- (2) Chapter 16-601; and
- (3) Any applicable commission order.

(c) The application must include an affidavit from a licensed professional engineer certifying that the source of the water, the water treatment facility, and water distribution system all meet the applicable engineering and design requirements and standards referenced in subchapter 7.

(d) The application must demonstrate compliance with applicable Federal, State, and County requirements, including water source approvals.

(e) The commission may reject any application that fails to meet any of these requirements or is otherwise incomplete. [Eff]
(Auth: HRS §269-6) (Imp: HRS §§269-6, 269-7.5)

§16-610-23 Issuance or denial of certification.

(a) The CPCN may authorize the whole or any part of the water service covered by the application, with such other terms and conditions as the commission deems appropriate.

(b) No hearing is required in granting or denying an application for a CPCN; provided that the commission may hold a hearing before it acts on the application, if it deems a hearing to be appropriate or if the granting of the application is contested by the consumer advocate or a permitted intervenor.

(c) A person granted a CPCN may provide only that service and in only that geographic area specified in the CPCN. The commission may include in the CPCN such other terms and conditions as it deems appropriate. [Eff] (Auth: HRS §269-6) (Imp: HRS §§269-6, 269-7.5)

§16-610-24 Capital improvements.

(a) The water utility shall submit to the commission for review proposed capital expenditures for any single project related to water system replacement, expansion, or modernization that is estimated to exceed \$500,000 or ten per cent of the value of total plant in service,

whichever is less. The utility shall submit the proposed expenditures to the commission for review at least sixty days before the commencement of construction or commitment of funds for the project, whichever is earlier.

(b) Unless otherwise ordered by the commission, the application and any supporting documents, data, and information shall be submitted in the form and manner prescribed by Chapter 16-601.

(c) If the commission determines that the project or a portion of it is not necessary or is unreasonably in excess of probable future requirements for utility purposes, then the utility may not include such rejected project or portion thereof in its rate base.

(d) The commission may subsequently allow the inclusion of the project or the rejected portion in the utility's rate base upon a showing by the utility, and approval of the commission, that the project or the rejected portion has become necessary and useful for public utility purposes.

(e) If the commission does not act upon the proposed expenditure within ninety days of its submission for review, the utility may include the project in its rate base without any determination by the commission.

(f) The utility shall file a completion report to the commission within sixty days of the project's commercial operation. The completion report shall include a comparison of estimated, approved (if available) and actual costs, by category (labor, materials, overhead, outside services, other contributions, etc.).

(g) Any increase of ten per cent or more in project costs from that approved (or estimated in the application, if no determination was made by the commission) shall be explained in the completion report.

(h) Each year, concurrently with the Annual Financial Report referenced in section 16-610-16, the utility shall file with the commission a report containing the following information:

- (1) All projects pending or completed within the previous calendar year. The report shall include:
 - (A) For pending projects:
 - (i) The corresponding docket number;
 - (ii) A descriptive summary of the project;
 - (iii) Updated estimated costs;
 - (iv) Source of project funds; and
 - (v) An estimate, stated in terms of a percentage amount, of the project's completion.
 - (B) For completed projects:
 - (i) The corresponding docket number;
 - (ii) A descriptive summary of the project;
 - (iii) Estimated cost, final cost, and variance;
 - (iv) An explanation, if the final cost exceeds the estimated cost by ten per cent or more; and
 - (v) Source of project funds.
- (2) The utility's projected capital improvements program expenditures budget for the ensuing five years which shall include, in detail, the capital improvements expenditures budget approved by management for the first year of the five-year period.

[Eff _____] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-25 Removal, transfer, or sale of property. (a) Each year, concurrently with the annual financial report filed in accordance with section 16-610-16, a water utility shall file with the commission a report of all property the utility, during the past calendar year:

- (1) Removed from its regulated plant account; or

- (2) Transferred from its regulated plant account to either a:
 - (A) Regulated non-operating plant account;
or
 - (B) Non-regulated account.
- (b) The report identified in subsection (a) must include the following information:
 - (1) A description of the property and its use by the water utility.
 - (2) Identification of the property, such as the year of manufacture, tax map key number, or other identifier.
 - (3) The reasons for the removal or transfer.
 - (4) The current status of the property.
 - (5) Whether the removal or transfer of accounts were approved by the commission.
 - (6) The salvage value including the gain or loss from the removal or transfer of the property, including any supporting calculations and documentation; and the identity of the account which was used to record the gain or loss.
- (c) Each year, concurrently with the annual financial report filed in accordance with section 16-610-16, the utility shall file with the commission a report of all property sold by the utility during the past calendar year. The report must include the following information:
 - (1) A description of the property and its use by the utility.
 - (2) Identification of the property, such as the year of manufacture, tax map key number, or other identifier.
 - (3) A description of the sale of the property, including the name and business address of the purchaser and the sales price.
 - (4) The reasons for the sale of the property.
 - (5) Whether the sale of the property was approved by the commission.

- (6) Any gain or loss on the sale of the property, including any supporting calculations and documentation; and the identity of the account which was used to record the gain or loss.

(d) At the utility's option, the reports identified in this section may be filed with the commission as a single report or may be combined with other annual reports. If a utility, during the past calendar year, did not engage in the removal, transfer, or sale of property described in this section, the utility shall submit a statement so attesting.

(e) For purposes of this section, the term "property" includes both real and other tangible property considered used and useful in the provision of the utility's regulated service.

[Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-26 Change or abandonment of utility service or ownership. (a) A utility shall not change any service or ownership of facilities without commission approval.

(b) A utility desiring to discontinue or abandon a service shall file with the commission an application identifying the utility; including data regarding past, present, and estimated future customer use of the service; describing any plant or facility that would no longer be in use if the application were approved; and explaining why the utility desires to discontinue or abandon the service.

(c) A utility is not required to apply for commission approval to remove individual facilities where a customer has requested service discontinuance.

(d) A utility shall not abandon, sell, lease, transfer, or otherwise dispose of its facilities or operation without first obtaining approval from the commission.

- (e) A utility desiring to abandon, sell, lease, transfer, or otherwise dispose its facilities or operation shall file with the commission an application that includes, at a minimum:
- (1) The legal name, physical address, mailing address (if different), email address, and telephone number of the utility;
 - (2) A description of the utility property proposed to be abandoned, sold, leased, transferred, or otherwise disposed of;
 - (3) Documentation establishing the utility's financial condition including at least the utility's current assets and liabilities, an income statement, the utility's revenue and expenses for the most recently completed 12-month accounting period, and the value of the utility's utility plant in service;
 - (4) Information on any pending legal issues, petitions, or judgements;
 - (5) The legal name, physical address, mailing address (if different), email address, and telephone number of any proposed purchaser, lessee, transferee, or assignee;
 - (6) The terms and conditions of the proposed abandonment, sale, lease, transfer, or assignment and copies of any agreement that has been or will be executed concerning the transaction;
 - (7) A description of the effect that the proposed transaction will have upon the utility's services;
 - (8) The method by which the proposed transaction is to be financed;
 - (9) A description of the effect that the proposed transaction will have upon any other utility;
 - (10) The number of customers to be affected by the proposed transaction; and
 - (11) A description of the effect that the proposed transaction will have upon customers, including quantifications of any changes in rates, bill impacts, or service

levels. [Eff _____] (Auth:
HRS §269-6) (Imp: HRS §§269-6, 269-7.5,
269-19)

§16-610-27 Amendment, suspension, or revocation.

(a) Upon the application of a water utility for amendment, suspension, or revocation of the utility's CPCN, the commission may amend, suspend, or revoke the water utility's CPCN, in whole or in part. No hearing is required before the commission acts on the application; provided that the commission may hold a hearing, if it deems a hearing to be appropriate.

(b) The commission may amend, suspend, or revoke a CPCN, in whole or in part, if, after notice and hearing, the holder is found to be in willful violation of any applicable:

- (1) Federal law, order, or regulation;
- (2) State law, rule, or commission order, including chapter 269, HRS, and this chapter; or
- (3) Any term or condition set forth in the CPCN.
[Eff _____] (Auth: HRS §269-6)
(Imp: HRS §§269-6, 269-7.5)

§16-610-28 Changes in the treatment of or modifications to its water source. (a) A water utility shall notify the commission in writing, at least thirty days in advance, of any:

- (1) Changes in the method of treating its water;
or
- (2) Modifications to its water source.

(b) The water utility's notification shall include a description of the contemplated changes or modifications, and evidence that the proposed change complies with the applicable requirements of the commission on water resource management and the department of health. [Eff _____] (Auth:
HRS §269-6) (Imp: §269-6)

§§16-610-29 to 31 (Reserved)

SUBCHAPTER 4

TARIFFS

§16-610-32 Tariff filing requirement. (a) A water utility shall file its tariffs with the commission. All tariffs are subject to commission approval.

(b) The tariff must include:

- (1) A description of the qualifications for each available class of service.
- (2) A schedule of rates or charges for each class of service, with applicable riders.
- (3) The rules, terms, conditions, policies, and practices affecting the rates or charges or classification of services and the rendering of service. The water utility shall include in the rules:
 - (A) A list of the items that the water utility furnishes, owns, and maintains, such as meters and service connections, that are included in the regular rates for service.
 - (B) The minimum number of days allowed for payment of the customer's bill before service is discontinued for nonpayment.
 - (C) The standards and specifications for providing fire protection service adopted pursuant to section 16-610-50.

(c) At all times, including at the time of tariff filing, the utility shall ensure, through one or more non-tariff filings, that the commission has in its files the most current versions of the information

identified in section 16-610-15.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-33 Temporary service. When a utility renders temporary service, the utility may require the customer to pay costs of making the service connection and removing the material after the service has been discontinued, or to pay a fixed amount in advance to cover such expenses. However, if material paid for by the customer is removed by the utility, the customer shall be credited with the reasonable salvage which the utility will receive on discontinuance of service.
[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§§16-610-34 to 38 (Reserved)

SUBCHAPTER 5

GENERAL SERVICE REQUIREMENTS

§16-610-39 Application for water service. (a) A water utility may require an applicant for water service to complete and sign a standard application form before service is rendered. In any such application form, the utility shall provide for the inclusion of the following information:

- (1) Applicant's name (prospective customer);
- (2) Complete street address or tax map key of the premises to be served;
- (3) Billing address, if different from the street address identified in paragraph (2);

- (4) The date the applicant requests water service to commence; and
 - (5) Any other relevant information the utility may reasonably require to initiate and provide service.
- (b) The utility may decline to serve an applicant if, in the utility's best judgment:
- (1) The property to be served is not within the utility's service territory;
 - (2) The utility does not have adequate facilities to render the service applied for;
 - (3) The intended use of water service is of a character that is likely to detrimentally affect the service to the utility's other customers; or
 - (4) The applicant's installation of water piping is regarded as hazardous or of such character that satisfactory service cannot be given.
- (c) If the applicant is a former customer who was responsible for and who failed to pay any bill for services previously rendered by the utility, regardless of the location of service or when the bill was incurred, the utility may refuse to serve the applicant until the applicant pays all outstanding bills.
- (d) Accepted applications shall constitute a contract between the utility and the applicant, obligating the applicant to pay for service in accordance with the utility's tariff currently on file with the commission and obligating both parties to comply with applicable rules and regulations.
- (e) When a customer desires to have service terminated, the customer shall notify the utility in accordance with section 16-610-66.
- [Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-40 Utility's access to property. A water utility shall have access at all reasonable times to meters, service connections, and other property owned by the water utility on a customer's premises for purposes of maintenance and operation, including cutting off a customer's supply of water for any of the causes provided in this chapter or the water utility's tariff. [Eff]
(Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-41 Rights-of-way and easements. (a) A water utility shall construct, install, own, operate, and maintain water mains, service connections, and other equipment for the transmission and distribution of water only along public streets, roads, and highways that the water utility has the legal right to occupy and on public lands and private property across which rights-of-way or easements satisfactory to the water utility have been obtained by the water utility.
(b) If a property for which an applicant has requested water service fronts property that the utility has no legal right to occupy, it shall be the responsibility of the applicant to extend the applicant's service line, at the applicant's own cost, to the utility's nearest existing service connection or main. [Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-42 Service connections. (a) A water utility shall install a service connection and meter at the customer's expense. The utility shall base the installation and connection charge on the cost of installation and connection. Thereafter, the utility shall maintain the service connection and the meter at the utility's expense. The utility shall install one meter for each service connection, unless, because of operating necessity, it must install two or more meters in parallel. The utility shall seal all meters

before installation, and no seal may be altered or broken except by the utility.

(b) The customer shall furnish and install the necessary service line and keep the service line in good repair. The customer shall not connect or disconnect any service line and shall not rebuild or make any changes in the service line without written notice to and approval by the water utility.

(c) If a meter box larger than the standard household type is required, the customer shall be responsible for the construction of the meter box in accordance with the utility's written standards. The customer shall install and connect at the customer's expense the supply pipe to the shutoff valve or outlet installed by the utility.

(d) The utility shall inform the customer of the minimum and maximum expected or design pressures and shall not drop below the minimum or exceed the maximum pressure, except as provided in section 16-610-82.

(e) If the water pressure supplied by the utility is higher than that for which individual fixtures are designed, the customer shall be responsible for protecting such fixtures by installing and maintaining pressure regulators and relief valves.
[Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-43 Meter measurement. (a) Except as otherwise authorized by the commission, a water utility shall provide water service on the basis of meter measurement.

(b) The customer meter shall be the property of, and will be maintained by, the utility.

(c) The selection, location, installation, testing, and maintenance of customer meters shall conform to the appropriate standard specifications of the applicable section of the most recent version of AWWA standard found in Manual M6, as amended.

(d) Where it is impractical or uneconomical to install meters to measure service or to measure use of

a fixed character, such service may be supplied unmetered, with commission approval; provided that the price charged for the service is estimated as nearly as practicable to what would be charged if meters were used.

(e) At the utility's option, flat rate service may be replaced by metered service, upon notice to the customer. Whenever flat rate service is furnished and a demonstrated abuse of the service occurs, the water utility, upon notice to the customer, shall meter the service. [Eff _____] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-44 Meter display. Except as otherwise authorized by the commission, each meter must display the consumption of water in gallons. Where the meter readings are multiplied by a constant to obtain the gallonage consumed, the water utility shall clearly identify the constant on the customer's bill. Where water consumption is metered under other conditions or where quantity is determined by calculations from recording devices, the water utility, upon a customer's application, shall supply the customer with the information that describes the conditions under which the quantity is determined.
[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-45 Meter records. (a) A water utility shall include the following information in each customer's meter record:

- (1) Customer's name, account number, service and billing addresses, and rate schedule;
- (2) Identifying number of the meter;
- (3) A description of the meter, including its size;
- (4) Meter readings;
- (5) Whether any reading has been estimated; and

(6) Any applicable multiplier or constant.

(b) Where consumption quantity is determined by calculations from recording devices, the water utility shall include in the records the date of the recorded period, the meter number, customer's name and location, and the recording device's multiplier.
[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-46 Meter reading intervals and annual report. (a) A water utility shall read all meters at regular intervals. The intervals may be monthly, bimonthly, quarterly, or more frequent intervals as the utility may determine. Special readings may be made when necessary, such as to close accounts. The utility shall not send a customer two successive estimated bills, if practicable.

(b) The utility shall make a summary of quantities used, by classification of service, in the appropriate service territory or rate-making district, and include the summary in the annual report submitted to the commission. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-47 Location and condition of meters. (a) A water utility shall designate the location for meter placement. The meter locations must be easily accessible to the utility for reading, testing, and making necessary adjustments and repairs. To the extent practicable, the utility shall locate meters at the curb or as near as possible to the point where the water utility's service connection joins the customer's service line.

(b) When a number of meters are grouped, each meter shall be tagged as to indicate the particular customer or premise served by it.

(c) The utility shall only utilize meters that are mechanically sound and accurate.

[Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-48 Master metering. (a) To the extent practicable, metering and billing shall be established at the level where the entity in control of decisions relating to water using fixtures and water use on the property is also the entity that most directly pays for the water service and benefits from cost savings related to water conservation measures. This may require master metering, individual metering of each unit, or other arrangement.

(b) The water utility shall determine whether master metering should be employed. In case of a dispute, any party in interest may apply to the commission for a resolution of the dispute. In any such application:

- (1) The party petitioning the commission shall furnish the facts and circumstances to support its petition to modify the utility's decision; and
- (2) The water utility shall be a party to the proceeding and state its position on the petition, with reasons and explanations for its position. [Eff]
(Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-49 System extensions. (a) A water utility shall file with the commission, as part of the water utility's tariff, its policy on main extensions. The policy and any amendment or revision to the policy is subject to commission approval. Any such policy may differentiate between main extensions to serve individuals and main extensions to serve subdivisions, tracts, housing projects, industrial developments, or organized service districts.

(b) Upon request, the utility shall provide to an applicant for a main extension a detailed cost

estimate of the main extension and an explanation of the basis for the cost estimate.

(c) The utility shall appropriately track, use, and account for all Contributions In Aid of Construction.

(d) In addition to any other main extension options offered, the utility shall provide all main extension applicants with the following payment options:

- (1) Payment by the applicant of a predetermined estimated cost, with no adjustment upon completion of the main extension project; or
- (2) Payment in advance by the applicant of a predetermined estimated cost, with an adjustment, if any, upon completion of the main extension project. Under this option, the utility, upon completion of the project, shall present the applicant with an accounting of the actual cost of the project and determine the amount of any additional payment or refund required.

[Eff _____] (Auth: HRS §269-6)

(Imp: HRS §269-6)

§16-610-50 Fire protection. (a) If the rate schedule contains a fixed rate to be paid for fire hydrants, such payment is for the use of a sufficient amount of water through the hydrants for the bona fide purpose of fire protection and does not authorize the use of the hydrants and the water that flows therefrom for any other purpose.

(b) The water utility may require customers who desire both regular service and fire protection service to have separate service lines, one to be used only for fire protection. Where separate lines are in use:

- (1) The customer shall only take water from the fire protection line for purposes directly related to fire protection, such as fire

- sprinkler testing and extinguishing fires;
and
- (2) The utility shall not allow any non-emergency interconnection to be made between the regular service line and the fire protection line. [Eff _____]
(Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-51 Resale of water. Water furnished to a customer may not be resold by the customer, without the utility's knowledge and written consent.
[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-52 Water for nonpotable uses. A drinking water utility shall conduct an alternatives analysis before allowing the use of drinking water for nonpotable uses anticipated to exceed 25,000 gallons per month on an average annual basis.
[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§§16-610-53 to 57 (Reserved)

SUBCHAPTER 6

CUSTOMER RELATIONS

§16-610-58 Information about the utility. (a) Each utility shall maintain and make available to the public, at one or more of the utility's commercial

offices and on the utility's website if a website is maintained, information regarding the services rendered, including the following:

- (1) A description, in writing, of the utility services provided and service territory.
 - (2) A non-confidential map of the utility's service territory.
 - (3) Copies of all active tariffs including rates, general rules of the utility, the extent of territory served, and applicable contract and application forms.
 - (4) How to report leaks or concerns about utility facilities, water waste, or other issues.
- (b) Each utility shall maintain, and make available to its customers, the following information:
- (1) Any changes or proposed changes in the quality or character of its service.
 - (2) The method of reading meters.
 - (3) Customer rights and obligations.
 - (4) How customers can make suggestions or complaints, including, but not limited to, where to mail complaints, telephone and email contact information (during work and non-working hours) that can be used to file a complaint, and the information that a customer should provide when filing a complaint.
 - (5) Available water conservation programs and opportunities.
 - (6) Available ratepayer assistance programs.
 - (7) How a customer can obtain emergency assistance.
 - (8) Any additional information that may reasonably be requested by the customer.
- [Eff _____] (Auth: HRS §269-6)
 (Imp: HRS §269-6)

§16-610-59 Rate and consumption information.

- (a) A water utility shall advise a new or prospective

customer (and any current customer, upon request), orally or in writing, of the rate options that are available, if any, and assist the customer in selecting the most economical rate schedule.

(b) Prior to or upon commencement of water service, the utility shall provide the customer, through a brochure or other written material, with a brief explanation of the existing rate schedule and billing practice, including termination of service procedures and policy. The utility shall record in the customer's file the date on which and the form in which the explanation was given.

(c) Within sixty days after the utility files an application for approval to increase its rates and charges, the utility shall provide written notice to its customers of the filing. The notice may be sent to its customers as an insert to each customer's bill. The utility shall include in the notice a brief explanation of the increase it is seeking.

(d) Within sixty days after receiving commission approval to change any rate, classification, or service, the utility shall provide written notice to the affected customers of such authorization. The notice may be sent to its customers as an insert to each affected customer's bill. The utility shall include in the notice a brief explanation of the change.

(e) Upon a customer's request, the utility shall provide a statement of the customer's actual consumption for each billing period during the prior year. The utility shall not be required to fulfill such customer's request more frequently than once each calendar year. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-60 Establishment and reestablishment of credit; customer deposit. (a) A water utility may require an applicant for water service to establish credit before service is rendered. Credit is established when the applicant:

- (1) Furnishes credit information or references satisfactory to the utility;
- (2) Establishes a record of timely payment to the utility for service for twelve consecutive months;
- (3) Is the owner with substantial equity in the premises to be served or in other real estate located within the utility service area of sufficient value in relation to the charges to be incurred for the service requested; or
- (4) Furnishes a guarantor, satisfactory to the utility, to secure payment of bills for the service requested.

Where an applicant is not able to establish credit as provided above, the utility may require the applicant to make a cash deposit as provided in subsection (d).

(b) The utility may require an applicant who was previously a customer but to whom service was discontinued for nonpayment of bills to pay all amounts owing to the water utility and to reestablish credit as provided in subsection (a) or to make a cash deposit as provided in subsection (d), before service is provided or restored.

(c) The utility may require a customer to pay all outstanding bills and make a cash deposit as provided in subsection (d) if the customer:

- (1) Is delinquent in the payment of the customer's bills; and
- (2) Fails to pay the bills within seven days after notice that service will be discontinued for nonpayment of bills.

(d) The utility may require any customer or prospective customer to make a cash deposit to guarantee payment of bills for service. Cash deposits are governed by the following:

- (1) The deposit may not exceed the maximum estimated charge for two consecutive billing periods or in an amount as the utility may reasonably require in cases involving service for short periods or in special situations.

- (2) The deposit is not transferable.
- (3) The utility may retain the deposit as long as it feels it is necessary to ensure payment of bills for service, provided it complies with paragraph (4), or until the customer establishes credit as prescribed in subsection (a).
- (4) The utility need not pay any interest on the deposit, if it refunds the deposit within thirty days after the customer establishes credit as prescribed in subsection (a). If the utility does not refund the deposit within thirty days after the customer establishes credit, the utility shall pay simple interest on the deposit at a rate of six per cent per annum from the time credit is established until the deposit is refunded; provided that no interest need be paid on and after the date:
 - (A) Service is terminated; or
 - (B) Notice is sent to the customer's last known address that the deposit is no longer required.Interest on a deposit accrues annually and is payable annually, if so requested by the customer, or at the time the deposit is returned.
- (5) The utility shall keep records identifying:
 - (A) The name and address (street and billing, if not the same) of each depositor;
 - (B) The amount and date of the deposit; and
 - (C) Each transaction concerning the deposit.
- (6) The utility shall issue a receipt for a deposit to each customer from whom a deposit is received. The utility shall provide a means for a depositor to establish a claim for a deposit, if the receipt is lost.
- (7) When the customer establishes credit, at the option of the customer, the utility may offset the deposit and any accrued interest

against the customer's unpaid bills for service or against future bills for service. In such event, interest ceases to accrue as of the date of the offset.

- (8) Notwithstanding section 16-610-13, the utility shall maintain a record of each unclaimed deposit for at least three years, during which time the utility shall make a reasonable effort to return the deposit.
- (9) The utility shall credit unclaimed deposits, together with accrued interest, to an appropriate account. [Eff _____]
(Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-61 Customer bills. (a) Customer bills must include the following information:

- (1) The name and address of the person to whom bill is sent.
- (2) The reading of the meter at the beginning and at the end of the billing period.
- (3) The dates of the billing period.
- (4) The applicable rate schedule or identification of the applicable rate schedule. If the actual rates are not shown, the bill must carry a statement to the effect that the applicable rate schedule is available for inspection at the utility's business office.
- (5) The amount of the bill, including the current charges, any unpaid balance from a previous billing period, late charges, payments received, any applicable fees and taxes, and net amount due.
- (6) The word, "estimate," if the bill is an estimate.
- (7) The multiplier used, if any, to determine the gallonage of water consumed.
- (8) A comparison of the average daily consumption during the billing period and:

- (A) The previous billing period, if available; and
 - (B) The same month in the previous calendar year, if available.
- (b) The utility shall bill each customer as promptly as possible following the reading of the customer's meter.
- (c) An estimated bill may be rendered, if the meter:
- (1) Cannot be read; or
 - (2) Fails to register due to any cause, except the nonconsumption of water.

In either case, a bill may be estimated, based on the customer's average past consumption; provided that in the case of an estimated bill resulting from the meter's failure to register, the estimated bill is subject to adjustment, taking into account all factors before, during, and after the billing period.

(d) A closing bill (a bill rendered after termination of service) that covers a short time period from the last meter reading date is ordinarily determined by the amount of water actually used, as indicated by meter reading, plus a proration of the service charge, if such a charge is set up on the rate schedule. In prorating a service charge, a billing month is deemed to consist of thirty days.

(e) For purposes of billing, all meters serving a customer's premises are to be considered separately, and the utility shall not combine the readings of the meters, except where the utility, because of operating necessity, installs two or more meters in parallel to serve the same customer's service pipe.

[Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-62 Adjustment of bill due to meter inaccuracy. (a) Meter requirements and testing shall be in accordance with subchapter 8.

(b) If, as a result of such tests, a meter used for billing of a customer is found to register more

than two percent fast or slow under conditions of normal operation, the utility shall adjust the bills for service during the period of the inaccuracy, in the case of over-registration, and may adjust the bills, in the case of under-registration. The utility shall adjust the bill amount to reflect a bill based on a one hundred percent accurate meter.

(c) The following time limitations apply in adjusting bills on account of defective meters:

- (1) If the date when the error in meter registration began can be determined, that date is the starting point for determining the amount of the adjustment, except that an adjustment due to a slow meter is limited to the three-month period preceding the date of the discovery of the error.
- (2) If the date when the error in meter registration began cannot be determined, the utility shall assume that the error existed for a period equal to one-half of the time elapsed since the meter was installed or one-half of the time elapsed since the last previous test of the meter, whichever is less. In any case:
 - (A) An adjustment due to a slow meter is limited to the three months preceding the date of the discovery of the error;
 - (B) Except as provided in paragraph (C), an adjustment due to a fast meter is limited to the six months preceding the date of the discovery of the error; and
 - (C) If the time for the periodic test of the meter has overrun to the extent that one-half of the time elapsed since the last previous test of the meter exceeds six months, the date of the last previous test is the starting point for determining an adjustment due to a fast meter; provided that the commission may limit the adjustment to the six months preceding the date of the discovery of the error as

prescribed in paragraph (B) where the utility demonstrates that the failure to make the periodic test when due was due to causes beyond the utility's control.

For good cause, the commission may authorize deviations from the time limitations specified in this subsection.

(d) The utility shall calculate any adjustment on the basis of average past consumption, using actual monthly consumptions. If the average error cannot be determined by test because of meter equipment failure, the utility may use the registration of check metering installations, if any, or estimate the quantity of water consumed based on available data. The utility shall advise the customer of the basis for any such estimate.

(e) Subject to the time limits specified in (c), the utility shall make any refund resulting from a bill recalculation as follows:

- (1) If more than \$1 is due an existing customer or \$2 is due a person who is no longer a customer, the utility shall refund in full the difference between the amount paid and the recalculated amount;
- (2) The utility shall refund to the two most recent customers who received service through the meter found to be in error; and
- (3) If a refund is due a person who is no longer a customer, the utility shall mail a notice of the refund to the customer's last known address and remit the refund to the customer, if the customer requests the refund within three months after the date the notice is mailed.

(f) The utility may backbill a customer, if, as a result of a bill recalculation, more than \$1 is due the utility from an existing customer or more than \$2 is due from a former customer.

(g) In its rules, the utility may establish other levels in excess of \$1 and \$2 above which the utility will commence billing for amounts due the

utility. [Eff] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-63 Adjustment of bill due to errors in meter readings and other similar causes. (a) If a customer is overcharged as a result of an incorrect meter reading, incorrect application of the rate schedule, incorrect meter connection, or other similar reason, the utility shall adjust the billing and issue a refund to the customer or, at the customer's option, credit the customer with the amount of the overcharge.

(b) If a customer is undercharged as a result of an incorrect meter reading, incorrect application of the rate schedule, incorrect connection of a meter, meter tampering, or other similar reason, the utility may bill the customer for the undercharge, provided that:

- (1) The amount of the undercharge is more than \$1.
- (2) The undercharge for which the customer is billed is for a period not more than twelve months preceding the date of the discovery of the cause of the undercharge.
- (3) Before billing the customer, the water utility shall furnish the customer with all facts concerning the cause of the undercharge, the extent of the undercharge, and the basis for calculating the billed amount.
- (4) Any disputes shall be handled in accordance with the provisions of section 16-610-67.

The customer shall pay the undercharged amount within twelve months of receiving the bill for the undercharge. The customer and the utility may mutually agree on a payment schedule, provided that the total billed amount is paid within twelve months.
[Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-64 Reasons for denial or disconnection of service. (a) Water service may be denied or disconnected, without notice, for any of the following reasons:

- (1) Presence of a condition determined by the utility to be hazardous, dangerous, or unsafe, including noncompliance with section 16-610-84;
- (2) The customer's use of equipment in a manner that adversely affects the utility's equipment, employees, or the utility's service to others;
- (3) The customer's tampering with the meter or equipment furnished and owned by the utility; or
- (4) The customer's unauthorized or fraudulent use of the utility's service. Whenever service is disconnected for unauthorized or fraudulent use of service, the utility, before restoring service, may require the customer, at the customer's own expense, to make all changes in equipment and facilities necessary to eliminate unauthorized or fraudulent use and to pay an amount reasonably estimated as the loss in revenue incurred by the utility as a result of the customer's unauthorized or fraudulent use of service.

(b) Water service may be denied or disconnected with notice, as prescribed in section 16-610-67, for any of the following reasons:

- (1) The customer's violation or failure to comply with the utility's tariffs or rules on file with and approved by the commission governing water service.
- (2) The customer's failure to fulfill the customer's contractual obligations for regulated water service or facilities.
- (3) The customer's failure to permit the utility reasonable access to the water utility's equipment.

- (4) The customer's failure to provide adequate physical space for the utility's meter and equipment.
- (5) The nonpayment of a water bill, provided that the utility has followed the requirements of section 16-610-67.
- (6) The customer's failure to establish credit or to post a cash deposit as set forth in section 16-610-60.
- (7) The customer's failure to furnish service equipment, permits, certificates, or rights-of-way, as specified by the utility as a condition to obtaining service, or the withdrawal or termination of such service equipment, permits, certificates, or rights-of-way.
- (8) The customer's failure to pay amounts due, as described in section 16-610-67.

If the utility denies water service pursuant to this subsection, the utility shall notify the applicant in writing as soon as practicable of the reason for such denial. If the utility disconnects service, the utility shall follow the applicable procedures set forth in §16-610-67.

(c) In addition to subsections (a) and (b), the commission may for good cause, with or without notice, order the denial or disconnection of service.

[Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-65 Insufficient reasons for denial or disconnection of service. Water service may not be denied or disconnected for any of the following reasons:

- (1) Delinquency in payment for service by a previous occupant of the premises to be served, unless the current applicant or customer occupied the premises at the time the delinquency occurred or the previous

customer continues to occupy the premises and benefits from the service.

- (2) Failure to pay for any nonregulated service rendered by the utility.
- (3) Failure to pay for a different type of utility service, such as electricity, gas, or telecommunications.
- (4) Failure to pay the bill of another customer as a guarantor. [Eff _____]
(Auth: HRS §269-6) (Imp: §269-6)

§16-610-66 Disconnection of service by customer.

If a customer desires to discontinue receiving water service provided by a water utility, the customer shall give the utility not less than forty-eight hours' notice and state the date on which the customer intends the disconnection to become effective. The utility shall adopt methods to authenticate such requests. The utility shall be allowed a reasonable period of time after the receipt of such notice to terminate service. A customer may be held responsible for all service furnished at the premises until:

- (1) Forty-eight hours after receipt of such notice by the utility; or
- (2) The date of disconnection specified in the notice, whichever is later.
[Eff _____] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-67 Disconnection of service by the utility. (a) Before disconnecting service for nonpayment of a water bill, a water utility shall, in addition to the written notice, give the customer an opportunity to pay the bill or to dispute any charge in the bill, as follows:

- (1) The utility shall give the customer at least fifteen days after the issuance of the bill to pay the bill.

- (2) Within the fifteen days allowed to pay the bill, the customer may dispute any charge on the bill and file a complaint with the utility.
- (3) The water utility shall investigate the complaint and furnish a written response to the customer, outlining:
 - (A) The utility's findings and conclusions as to the correctness of the disputed charge or the need for any adjustment; and
 - (B) The actual amount due and payable on the bill.
- (4) The utility shall allow the customer seven days after receipt of the utility's response to pay the actual bill amount noted in the response.
- (5) The customer may continue to dispute the charge and submit its protest to the commission for final determination. The customer must, however, pay the amount noted in the utility's response within seven days of the receipt of the response to avoid disconnection of service.
 - (b) The utility shall give a customer reasonable written notice before disconnecting service for any reason enumerated in section 16-610-64. The notice must include all of the following:
 - (1) The reason or reasons for disconnection of service.
 - (2) The date on which service will be disconnected; provided that service may not be disconnected on a Saturday, Sunday, or holiday. The utility shall plan for disconnection during normal utility working hours. For purposes of this paragraph, "holiday" means any day designated as such by HRS sections 8-1 and 8-2.
 - (3) The action that the customer must take to avoid disconnection.

- (4) The telephone number or numbers of utility representatives available to handle the subject of disconnection.

(c) The utility shall give special consideration in disconnecting service to an elderly or handicapped customer. The utility shall not disconnect service to an elderly or handicapped customer without first investigating the circumstances and filing a written report on its findings with the commission. The utility shall file the report not less than five days before the planned date of disconnection. To be eligible for special consideration:

- (1) An elderly customer must be at least sixty-two years of age. The customer must show proof of age to the utility by personally presenting the proof at the utility's office or by a written verification of the customer's date of birth.
- (2) A handicapped customer must obtain certification of the customer's physical condition from a duly licensed physician or an appropriate state agency.

(d) If the consumer of water service is a tenant and the person responsible for the payment of water service bill is the tenant's landlord, before disconnecting service to the tenant for failure of the landlord to pay a water bill, the utility shall provide the tenant with a written notice that includes the information prescribed in subsection (a) and advises the tenant of the tenant's right and option to subscribe for water service in the tenant's name, provided that the changeover in service can be accomplished with minimal technical difficulties and financial costs. If the tenant chooses to exercise this option:

- (1) Water service to the tenant will not be disconnected;
- (2) The tenant will be responsible and billed for water service rendered to the tenant after the changeover; and
- (3) The tenant will not be held responsible for the landlord's unpaid water bill.

(e) On an annual basis, in accordance with section 16-610-16, the utility shall report to the commission the number of disconnections of water service, by type (at the request of the customer, due to nonpayment, or other reasons) during the past calendar year. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-68 Charges for water service in the case of property transfer. A water utility may hold any person, who takes possession of a property or premises and consumes water provided by the utility, responsible for the payment of bills for services rendered to the property or premises, even though the change in bill payment responsibility to such person from the former occupant or owner of the property or premises has not been registered in the records of the utility. The utility may hold such person responsible for the payment of bills for services rendered since the date of the last recorded meter reading. The utility may disconnect service to the property or premises five business days after the utility gives a written notice to the person in possession of the property or premises of the utility's intent to disconnect service, in all cases where:

- (1) A proper application for a transfer of bill payment responsibility is not made, although notified to do so by the utility; and
- (2) Accumulated bills for service are not paid upon presentation of the bills to the person in possession of the property or premises.
[Eff _____] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-69 Customer complaints. (a) A water utility shall fully and promptly investigate all complaints from customers concerning the utility's charges, practices, facilities, or services, whether

the complaint is made directly to the utility or the commission.

(b) The utility shall advise a customer, who has exhausted the utility's internal procedures and expresses dissatisfaction with the utility's action, of the customer's right to have the customer's complaint considered and reviewed by the commission. The advice must include the commission's address, website, and telephone number.

(c) When the commission has notified the utility that an informal complaint has been received concerning a specific account and the commission has received notice of the complaint before service is discontinued, the utility shall not discontinue the service of that account until the commission's investigation is completed and the results allow for discontinuance of service.

(d) A copy of all correspondence shall be maintained electronically in accordance with AWWA standards, or for two years after the resolution of the complaint, whichever is greater.

(e) The utility shall keep a chronological record of all complaints. For each complaint, it shall include in the record:

- (1) Name and address of the complainant.
- (2) Date the complaint was received.
- (3) Nature and content of the complaint.
- (4) Result of any investigation.
- (5) A description and date of any correspondence and/or contact with complainant about complaint.
- (6) Action taken.
- (7) Name of the person responsible for investigating and documenting the complaint.
- (8) A description and date of final disposition of the complaint.

Notwithstanding section 16-610-13, the water utility shall keep the record for at least two years after disposition of the complaint.

(f) On an annual basis, in accordance with section 16-610-16, the utility shall report to the commission the number of complaints received, by

categories of complaints, and the resolution of such complaints, during the past calendar year.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-70 Payments. (a) The due date for payment of a bill may not be less than fifteen days from the date of transmittal; that is, the date of mailing, electronic transmission, or physical delivery of the bill by the utility to the customer.

(b) For remittance by mail, payment shall be deemed to have been made on the date of the postmark.

(c) A utility may offer electronic payment options. Electronic payment programs must include the following requirements:

- (1) Electronic bill payment shall be voluntary. A utility may not require a customer to enroll in electronic bill payment as a condition for receiving bills electronically.
- (2) For electronic bill payment through a charge to a customer's credit card or automatic withdrawal from a customer's financial account, the program must set forth the date (or number of days after issuance of the bill) by which the automatic payment shall be made.
- (3) The terms of the payment procedures shall be fully disclosed to the customer in writing prior to customer enrollment in electronic bill payment.
- (4) The utility shall employ all reasonable measures to protect customer information from unauthorized disclosure. Any breach of security involving customer data shall be handled in accordance with HRS section 487N.
- (5) For remittance by electronic transmission, the effective date and time of a payment is the date and time of actual receipt of payment according to Hawaii Standard Time.

[Eff] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-71 Fees. Fees or charges assessed and collected by the utility, including fees for utilizing a particular payment option, must be included in the utility's tariff on file at the commission.

[Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-72 Right of access; identification of employees. (a) The authorized agents of the utility shall at all reasonable hours have safe access to the premises supplied with service for the purpose of reading meters, examining fixtures and pipes, and for any other purpose which is proper and necessary in the conduct of the utility's business.

(b) Any utility representative whose duties require entering the customer's premises shall wear a distinguishing uniform or other insignia, identifying the utility representative as an employee of the utility, or carry other identification such as a badge to verify employment by the utility, to be shown by the utility representative upon request. The utility shall inform the customer in advance, in such a manner that the utility can prove the customer was aware of impending access to utility-owned property, except in events where the safety of the water supply has been compromised.

(c) When a water line which is the property of a utility is on the property of a resident in the utility's service area which is on file with the commission, the resident shall provide reasonable access to the utility for the maintenance thereof. Any damage done to the property by the utility shall be corrected to conform with the condition before the maintenance process began. [Eff]
(Auth: HRS §269-6) (Imp: HRS §269-6)

§§16-610-73 to 77 (Reserved)

SUBCHAPTER 7

ENGINEERING

§16-610-78 Recognized and generally accepted good engineering practices. (a) A water utility shall design, construct, install, maintain, and operate its plants and facilities in accordance with recognized and generally accepted good engineering practices and in accordance with federal, State, and county requirements, as amended.

(b) The utility should refer to the applicable provisions of the regulatory agencies, and industry standards, examples of which include:

- (1) The rules, regulations, and standards adopted by and applicable to the county board of water supply located in the county where the water utility intends to or is providing water service.
- (2) The standards and manuals adopted by the AWWA.
- (3) The most recent version of the Standard Details for Public Works Construction of the State of Hawaii.
- (4) The requirements of the State of Hawaii, such as those of the Department of Health and the commission on water resource management, including, but not limited to, Hawaii Well Construction and Pump Installation Standards.

- (5) Federal requirements, including those of the United States Environmental Protection Agency and the Food and Drug Administration.

(c) The utility shall design, construct, install, maintain, and operate its plants and facilities in a manner as to ensure:

- (1) Continuity and reliability of service;
- (2) Uniformity in the quality and character of the service furnished;
- (3) Safety of persons and protection of property; and
- (4) Sanitary operations.

(d) Application may be made to the commission for temporary or permanent exemption from the requirements of this section if the requirement would cause unreasonable hardship to a utility or to a customer.

(e) The utility shall keep a record of defective, unsafe, or hazardous conditions affecting life, property, or service found during inspections or otherwise reported or ascertained. For each such condition, the utility shall also record the date, location, and circumstances, and the date and general character of any corrective action taken.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-79 Adequacy of supply. (a) The water utility's system capacity and design shall comply with all federal, State, and county requirements, as amended, and shall be able to meet all reasonably expectable demands for minimum, average, and peak demand while meeting applicable codes and standards, maintaining appropriate levels of safety, and providing a reasonable reserve for emergencies.

(b) Reports filed with the Department of Health to demonstrate adequate system design or capacity (technical, managerial, or financial) shall also be filed with the commission. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-80 Materials, equipment, and inspection of plants and facilities. (a) Materials and equipment shall be selected to mitigate corrosion, electrolysis, deterioration, and other damage that may result from internal and external forces in accordance with AWWA standards, as amended.

(b) The utility shall consider the cost effectiveness, for the intended application, of any material or equipment used.

(c) The commission does not intend to prevent the use of newly developed materials and equipment that otherwise meet the requirements described in this subchapter.

(d) A water utility shall adopt and file with the commission a program for inspecting its plant and facilities to determine the necessity for replacement and repair. The water utility shall base the frequency of the inspections on the water utility's experience and accepted good industry practice.

(e) The utility shall keep sufficient records to evidence its compliance with, and effectiveness of, its inspection program. [Eff _____]
(Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-81 Service connection standards. (a) A water utility shall adopt and file with the commission a standard method for installing meters and service connections, including the size or sizes of the meters and the location of the service connections, a written description of the method, and drawings.

(b) The utility shall include the schedule of connection charges in its tariff.
[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-82 Pressure and water availability requirements. (a) A water utility shall ensure that sufficient pressure and adequate supply of water are maintained for domestic use and fire protection service, if applicable. The water utility shall comply with all requirements of the State and counties in this respect.

- (1) Each water system used to provide drinking water shall be operated in a manner to assure that the minimum operating pressure at each service connection throughout the distribution system is sufficient to serve the needs of the customers, and at no time less than 20 pounds per square inch.
- (2) Pressure less than that required will not be considered a violation when the variations:
 - (A) Result from uncontrollable external forces.
 - (B) Consist of infrequent fluctuations not exceeding five minutes' duration.
 - (C) Arise from service interruptions.
 - (D) Result from causes beyond the control of the utility.
- (3) Distribution systems must be designed and operated for a continuous positive pressure.

(b) At least once per year, the utility shall perform measurements to determine if pressures throughout the system are in compliance with the requirements.

(c) The utility shall keep records of each test of pressures. These records shall include, as a minimum, the date, time, and location where the test was conducted. Pressure records shall be retained by the utility for at least two years and shall be made available for inspection by the commission at all reasonable times.

(d) Each utility having more than 100 customers must have one or more portable pressure gauges or have available one or more graphic recording pressure gauges of the type and capacity suited to the pressure of its water system. A water utility having graphic

recording gauges shall keep at least one of these gauges in continuous service.

(e) Pressure measurements should be made at the customer's meter. If no outlet is available at this point, then the measurement may be made at the nearest available outlet, making due allowance for any pressure differential between the point of measurement and the meter.

(f) The utility shall make a sufficient number of pressure surveys each year to indicate the service furnished and to ensure compliance with pressure requirements. [Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-83 Dead ends. A water utility shall avoid dead ends in the distribution mains to the extent possible. If dead ends exist, the water utility shall provide facilities for flushing, if conditions so require. [Eff] (Auth: HRS §269-6) (Imp: Hrs §269-6)

§16-610-84 Cross-connection control and backflow prevention. (a) A water utility shall prevent the backflow of contaminated water or dangerous, impure, unsanitary, or nonpotable substance into the utility's distribution system.

(b) No cross connection between a water utility's distribution system and that of any other water supply or other physical connection is permitted, unless such other water supply is of safe, sanitary quality and has been approved by the State department of health.

(c) The utility may request any customer to present to the utility an affidavit:

- (1) Certifying to the fact that there are no prohibited cross connections or installations; and

- (2) Describing in detail all nonconforming connections or installations.

A customer's failure to comply with any such request may constitute sufficient cause to discontinue service, without notice, to the customer until all nonconforming connections or installations are removed.

(d) The utility shall establish a backflow prevention program. It shall be the responsibility of the customers to install and maintain backflow prevention devices. [Eff] (Auth: HRS §269-6) (Imp: HRS §269-6)

§§16-610-85 to 88 (Reserved)

SUBCHAPTER 8

TESTING

§16-610-89 Customer meters. (a) All meters shall be tested before installation and, as necessary, replaced or repaired to meet AWWA standards.

(b) Each year the utility shall test, or arrange for testing in accordance with AWWA standards and methods, a portion of water service meters in use.

(c) The water utility shall conduct the tests according to accepted practices in the water service industry. It is recommended that not less than three rates of flow (minimum, medium, and maximum) be used in the test.

(d) The water utility shall establish a program for the periodic inspection of its meters for possible tampering. [Eff] (Author: HRS §269-6) (Imp. HRS §269-6)

§16-610-90 Meter testing at customer's request.

A water utility shall test a meter when requested to do so by a customer. Testing at the customer's request is subject to the following conditions:

- (1) The water utility shall perform the test at no charge to the customer, provided the customer does not request the utility to test a meter more than once in a twelve-month period. If a customer requests the water utility to conduct any additional tests during the same twelve-month period, the water utility may charge a fee sufficient to cover the reasonable cost of the test, as set forth in its tariff, for the additional test.
- (2) The customer or the customer's representative may be present when the customer's meter is tested.
- (3) The water utility shall provide the customer with a copy of the report on the results of the test within a reasonable time after the test is completed. The water utility shall keep in its files a copy of the report and the record of the test. The report must include the following information:
 - (A) Customer's name and address.
 - (B) Date of the request.
 - (C) Location of the property or premises where the meter is installed.
 - (D) Identification number, serial number, and the type, make, and size of the meter.
 - (E) Date of the test.
 - (F) Result of the test.
 - (G) Description of any action taken as a result of the test.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-91 Meter testing facilities and equipment. (a) Unless excused by the commission, a water utility shall have equipment, facilities, and methods to test its meters for conformity with industry standards.

(b) Alternatively, the utility may have testing and calibration performed by a company certified for such services. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-92 Meter test records. (a) A water utility shall maintain records of the last two tests made of each meter in service. Test records must include the following:

- (1) The date and reason for the test.
- (2) The reading of the meter before the test.
- (3) The accuracy of the meter as found in the test.
- (4) A description of the repairs made, if any.
- (5) The disposition of the meter following the test or repair (returned to service at the same location, removed from service, etc.).

(b) The utility shall maintain records of equipment testing and results in accordance with the NARUC publication, "Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities," as amended. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-93 Sealing of meter. Upon completion of adjustment and test of any water meter under the provisions of these rules, the utility shall affix a suitable seal in such a manner that adjustment or registration of the meter cannot be altered without breaking the seal, where applicable.
 [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-94 Repaired or tested meters. All water meters removed from service for repair or test in accordance with these rules shall be replaced or restored to accuracy standards consistent with those of the AWWA before being placed back in service.
 [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-95 Water supply measurements. Source flow meters are required for each water system source, except at any inactive source. The utility shall, for each of its water sources:

- (1) Install a source flow meter at a location between each water source and the entry point to the water system, as close to the water source as is practicable.
 - (2) Meter the quantity of water flow from each water source to determine total input to the system from that source.
 - (3) Each month, determine and record the total monthly input to the system from each water source.
 - (4) Annually, report to the commission the volume of water from all sources.
- [Eff _____] (Auth: HRS §269-6)
 (Imp: HRS §269-6)

§§16-610-96 to 100 (Reserved)

SUBCHAPTER 9

QUALITY OF SERVICE

§16-610-101 Water quality. (a) A water utility shall comply with the rules of the Department of Health and the rules of other federal, State, and county agencies governing purity of water, testing of water, operation of water facilities, and such other lawful rules as those agencies may prescribe.

(b) All water supplied by the water utility must meet applicable water quality standards, such as those set forth in:

- (1) The Federal Safe Drinking Water Act, 42 United States Code, Chapter 6A, Subchapter XII, its implementing regulations, and any amendments thereto; and
- (2) The State Safe Drinking Water Act, chapter 340E, HRS, its implementing rules, and any amendments thereto.

(c) If the utility is not subject to water quality standards established by federal, State, or county government agencies, then the utility must:

- (1) Establish its own water quality requirements, including testing procedures, reporting requirements, and dates.
- (2) Publish such in its tariff.
- (3) In accordance with its standards, conduct periodic testing and report the results of such tests to its customers and the commission.
- (4) Inform its customers and the commission of any deviation from such standards.

[Eff _____] (Auth: HRS §269-6)
(Imp: HRS §269-6)

§16-610-102 Interruption of service. (a) A water utility shall exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of water to the customer and to avoid any interruption of service. Whenever an interruption occurs, the water utility shall reestablish service within the shortest time practicable.

(b) Whenever necessary for the purpose of making repairs, changes, or improvements to its system or for safety or emergency reasons, a water utility may shut off water from the mains and interrupt service.

(c) The following shall apply to any emergency interruption:

- (1) If an emergency interruption of service affects the service to any public fire protection device, the utility shall immediately notify the personnel responsible for the fire protection of such interruption and estimated duration of the interruption. Such personnel shall also be notified of subsequent restoration of normal service.
- (2) All emergency interruptions involving over 50% of an entire system shall be reported to the commission by the utility as soon as possible after the beginning of the interruption, by telephone or email, stating the cause, date, time, estimated duration, location, approximate number of customers affected, and remedial steps being taken to restore service. Once service has been restored, the utility shall notify the commission of the date and time of service restoration and the measures used to resolve the issue.
- (3) In the event of national emergency or local disaster resulting in disruption of normal service, the utility may, in the public interest, interrupt service to other

customers to provide necessary service to civil defense or other emergency service providers on a temporary basis until normal service to these emergency service providers can be restored.

(d) The following shall apply to any planned interruption:

- (1) The interruption shall be scheduled for a time that will cause the least inconvenience to customers.
- (2) The utility shall notify all customers to be affected by the interruption at least 24 hours before the interruption begins, stating the approximate time and anticipated duration of the interruption.
- (3) The notice must include an advisory to take reasonable precautions against the failure or fluctuation in the pressure or supply of water that may result from the shut off.
- (4) Unless arrangements have been made in advance with the utility for back-up services, customers dependent upon a continuous supply of water shall be responsible for providing their own on-site emergency water storage and any check valves or other devices necessary for the protection of plumbing or fixtures against failure of pressure or supply of water from the utility.
- (5) Where public fire protection is provided by the facilities affected by the interruptions, the utility shall report to the personnel responsible for fire protection when the interruption is scheduled, the approximate time, and anticipated duration. In addition, the personnel responsible for fire protection shall be notified within 60 minutes upon restoration of service.

(e) The water utility shall keep records of all planned and unplanned interruptions of service of more than five minutes in duration and shall analyze the

records to determine the steps to be taken to prevent recurrence of the interruptions. As applicable, the water utility shall include in the record for each interruption:

- (1) The date, time, duration, and cause of the interruption.
- (2) The number of customers affected.
- (3) The corrective action taken, if any.
- (4) Whether customers were compensated for the interruption.
- (4) Any other pertinent information.
- (f) The water utility shall notify the

commission by email, text, or telephone as soon as possible during normal working hours of any interruption of service to more than ten per cent of its customers of a duration longer than one hour.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-103 System service reliability. (a) A water utility shall adopt indices by which to measure its system service reliability. The utility shall include among the indices:

- (1) Number of low pressure events and service interruptions ("service interruptions") in a year;
- (2) Number of customers affected by each service interruption;
- (3) Customer-hours interrupted in a year;
- (4) Average number of interruptions per customer served during a year;
- (5) Average interruption duration per customer interrupted during a year; and
- (6) Average interruption duration per customer served during a year.

(b) The utility shall maintain an annual record of its system reliability and make such record available to the commission upon request. The record should include a summary of the causes of service interruptions by:

- (1) Equipment failure;
- (2) Operator and other human errors;
- (3) Scheduled or forced maintenance;
- (4) Non-system or third party causes;
- (5) Weather conditions; and
- (6) Other categories as determined by the water utility.

(c) Each year, concurrently with the annual financial report filed in accordance with section 16-610-16, the utility shall submit to the commission a summary of its system service reliability indices for the previous year, and note any trends, concerns, or actions taken or planned to address concerns or improve system reliability. [Eff _____]
(Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-104 Interruption of service - compensation. (a) A water utility is not liable for any interruption of service or for any loss, cost, damage, or expense of any nature occasioned by the interruption, if the interruption is:

- (1) A planned interruption of which notice is given as provided in section 16-610-102(d); or
- (2) An interruption caused by an accident, storm, fire, strike, riot, war, or any cause not within the water utility's control through the exercise of reasonable diligence and control.

(b) Any customer's claim for loss, cost, damage, or expense resulting from any interruption of water service, other than that described in subsection (a) and section 16-610-105, must be filed with the utility within thirty days of the interruption of service. Within thirty days after receipt of the claim, the utility shall:

- (1) Complete its review and investigation of the claim.

- (2) Notify the customer in writing as to whether the claim is denied or accepted, and, if denied, the reasons for the denial.
- (3) Compensate the customer for any loss, cost, damage, or expense resulting from a cause determined by the utility to be within the utility's control.

Upon request and a showing of good cause or under extraordinary circumstances, the utility may extend the deadline for the filing of a compensation claim.

(c) If the customer disagrees with the utility's decision denying the customer's claim, the customer may file a complaint with the commission (informal or formal) against the utility. If a complaint is filed, the procedures set forth in chapter 16-620-69 will govern the processing of the complaint, to the extent practicable. If the commission finds that the loss, cost, damage, or expense incurred by the customer was from a cause within the utility's control, the utility shall compensate the customer.

(d) Nothing in this chapter is to be construed as limiting or preventing a customer from pursuing any other available rights or remedies.

[Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§16-610-105 Special conservation measures.

Whenever, in a water utility's opinion, special conservation measures are advisable in order to forestall a water shortage, or to comply with State or County water conservation requirements, emergency declarations, or restrictions, the utility may restrict the use of water by any reasonable method of control. [Eff _____] (Auth: HRS §269-6)

(Imp: HRS §269-6)

§§16-610-106 to 110 (Reserved)

SUBCHAPTER 10

SAFETY AND EMERGENCY PREPAREDNESS

§16-610-111 Safety. (a) A water utility shall follow all applicable federal, State, and county safety standards, institute best practices for safety followed generally by water service companies, and review the recommendations in AWWA "Safety Practice for Water Utilities" Manual M3, as amended.

(b) The utility shall adopt and execute a safety program suited to the size and type of its operations. At a minimum, the safety program shall include:

- (1) A requirement that employees use suitable tools and equipment so that the employees may perform their work in a safe manner.
- (2) Instructions to employees on safe methods of performing their work.
- (3) Instructions to employees on accepted methods of first aid, including cardiopulmonary resuscitation.

[Eff _____] (Auth: HRS §§269-6, 269-8.2) (Imp: HRS §269-6, 269-8.2)

§16-610-112 Protective measures. (a) A water utility shall exercise reasonable care to reduce hazards to its employees, customers, and the general public.

- (b) The utility shall assist the commission in:
- (1) Investigating the cause of accidents; and
 - (2) Determining suitable means of preventing accidents.

(c) Notwithstanding section 16-610-13, a utility shall maintain a summary of accidents arising from its operations for a minimum period of five years.

(d) Accident reports shall be filed in accordance with section 16-610-15.

[Eff _____] (Auth: HRS §§269-6, 269-8.2)
(Imp: HRS §§269-6, 269-8.2)

§16-610-113 Emergency preparedness. (a) A water utility shall have emergency preparedness plans, including a Continuity of Operations Plan, in place and shall coordinate such with the Hawaii Emergency Management Agency and the emergency operations agency in each county in which the utility operates. Such plans shall be filed with the commission under confidential seal.

(b) Prior to a disaster, the utility shall take steps to enable recovery and access to federal, State, and county assistance after a disaster. Such steps may include:

- (1) Establishing a relationship with the hazard mitigation office in the county in which the utility operates, so that the utility will be included in the area's disaster preparedness plans.
- (2) With the assistance of the county, applying for hazard mitigation grant funding (private for-profit utilities that are sole service providers for an area are considered critical infrastructure; local governments may apply for grant funding on their behalf).
- (3) Maintaining documents on the state of the facility and equipment, including periodic photos of facilities and equipment, copies of maintenance records, and insurance policies.

(c) After a disaster occurs, the utility shall document the damage with photos and written descriptions prior to performing cleanup and repairs; document expenses, including those for equipment repair and replacement, employee overtime, and other

emergency expenses; and seek assistance as needed from emergency management agencies.

(d) The utility shall include a section on emergency preparedness in its annual report to the commission. [Eff _____] (Auth: HRS §269-6) (Imp: HRS §269-6)

§§16-610-114 to 118 (Reserved)

SUBCHAPTER 11

WATER-ENERGY NEXUS

§16-610-119 Purpose of this subchapter. Chapter 269, HRS, requires that the commission establish goals and standards for energy efficiency and the increased use of renewable energy to reduce the State's reliance on fossil fuels. The energy intensive nature of water distribution and treatment have led to challenges for utilities in controlling costs as well as challenges to the State in reducing fossil fuel use. The purpose of this subchapter is to encourage implementation of energy management programs, water conservation programs, demand side management programs, and other industry best practices that can help reduce operating costs and fossil fuel use. [Eff _____] (Auth: HRS §§269-6, 269-96) (Imp: HRS §§269-6, 269-96)

§16-610-120 Energy audits. (a) Each utility shall complete at least one energy audit at least equivalent to an ASHRAE level-1 audit, or similar,

prior to December 31, 2020 and at least every five years thereafter.

(b) Each utility shall use the results of the energy audit to work with the State's Public Benefits Fee Administrator, or other similarly qualified experts in energy efficiency, to identify cost-effective measures that the utility can take to reduce energy use or overall energy expenses (including electricity and fuel).

(c) The utility shall file with the commission the results of the energy audit and the findings of the energy efficiency experts by December 31 of the year in which the energy audit takes place.

[Eff] (Auth: HRS §269-6, 269-96)
(Imp: HRS §§269-6, 269-96)

§16-610-121 Water audits. (a) Each utility that provides water service shall complete an annual water audit. Such water audit shall be conducted in accordance with the most recent version of AWWA Manual M36, as amended.

(b) The results of this audit shall be filed with the commission concurrently with the annual financial report filed in accordance with section 16-610-16.

(c) Each utility shall maintain records of all water audits conducted for a minimum of five years, or until the next formal review and commission approval of any increase in rates, whichever is longer.

[Eff] (Auth: HRS §269-6, 269-96)
(Imp: HRS §§269-6, 269-96)

§16-610-122 Action plan and system evaluation.

(a) Each year, concurrently with the annual financial report filed in accordance with section 16-610-16, each water utility shall file with the commission an Action Plan. The Action Plan shall include a written report on utility plans and actions to:

- (1) Raise the water audit validity score.
- (2) Identify and implement:
 - (A) Cost-effective supply side water loss prevention measures based on industry best practices; and
 - (B) Programs to encourage customer water conservation.
- (3) Implement energy efficiency measures and energy management planning based on industry best practices and the results of the energy audit.
- (4) Develop or participate in demand response programs to provide benefits to the electric grid, such as coordinating operation of pumps to match generation resources or providing ancillary services to the power system.
- (5) Develop, update, or implement a water shortage plan.
- (6) Assist low-income customers.
- (7) Implement other requirements established by the commission.
 - (b) Concurrently with, or as part of the Action Plan, the utility shall file an annually updated system evaluation using "Water Facility Energy Checklist and Best Practices Review" forms prepared and furnished by the commission. The system evaluation will include:
 - (1) The total kilowatt hours of electricity consumed by the utility in the previous year.
 - (2) The total number of gallons of water pumped and processed in the system in the previous year.
 - (3) The total number of gallons of water sold in the previous year.
 - (4) A description of each major process or piece of equipment and the actual or estimated amount of energy consumed by said process or piece of equipment in the utility's operation in the previous year.

- (5) A review of best practices for each major process or piece of equipment and potential use of such best practices by the utility.
[Eff] (Auth: HRS §269-6, 269-96) (Imp: HRS §§269-6, 269-96)

(END OF DRINKING WATER - WORKING DRAFT #1)

